



November 9, 2011

Mr. Paul Baker  
State of Utah/Dept. of Natural Resources  
1594 W. North Temple Suite 121  
Salt Lake City, Utah 84114-5801

Re: Principal: Nephi Sandstone Corporation  
Obligee: State of Utah, Dept. of Natural Resources  
Bond No.:  
Claimant: State of Utah, Dept. of Natural Resources  
Claim No.:  
Surety: Liberty Mutual Insurance Company

Dear Mr. Baker:

Liberty Mutual Insurance Company (LMIC), on behalf of the above-referenced surety, is in receipt of your potential notice of claim concerning the above referenced matter.

It appears our Principal has a new reclamation surety; however, the amount of the bond is inadequate for reclamation of the site. Before you will release the liability of Liberty Mutual's bond, for all reclamation obligations incurred prior to the date of termination of our bond, our Principal needs to complete all reclamation obligations or increase the amount of their replacement bond. **If the Division does take steps to file a claim against the bond issued by Liberty Mutual Insurance Company, please direct that claim to this office at the address shown above.**

This correspondence and all prior and subsequent communications and/or investigative efforts are made with the express reservation of all rights and defenses which Liberty Mutual Insurance Company and/or Nephi Sandstone Corporation, has or may have at law, equity or under the terms and provisions of the bond and contract documents. This reservation includes without limitation, defenses which may be available under any applicable notice and suit limitation provisions.

Please do not hesitate to contact me if you have any questions.

Sincerely,  
*Stephani J. Miller*  
Stephani Miller

SM/kp

Enclosure

cc: Nephi Sandstone Corporation  
Moreton & Company (Bette J. Croshaw)

30230065  
cc: Wayne  
Paul

Liberty Mutual Surety

Stephani Miller

P.O. Box 34670  
Seattle, WA 98124-1670  
[Stephani.Miller@LibertyMutual.com](mailto:Stephani.Miller@LibertyMutual.com)  
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Div. of Oil, Gas & Mining